

No. 23162

**UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
and
ROMANIA**

**Agreement on certain commercial debts (with schedules).
Signed at London on 8 December 1983**

Authentic texts: English and Romanian.

*Registered by the United Kingdom of Great Britain and Northern Ireland
on 30 November 1984.*

**ROYAUME-UNI DE GRANDE-BRETAGNE
ET D'IRLANDE DU NORD
et
ROUMANIE**

**Accord relatif à certaines dettes commerciales (avec
annexes). Signé à Londres le 8 décembre 1983**

Textes authentiques : anglais et roumain.

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord
le 30 novembre 1984.*

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF ROMANIA ON CERTAIN COMMERCIAL DEBTS

The Government of the United Kingdom of Great Britain and Northern Ireland (hereinafter referred to as “the United Kingdom”) and the Government of the Socialist Republic of Romania (hereinafter referred to as “Romania”),

As a result of the Conference regarding consolidation of Romanian debts held in Paris on 18 May 1983 at which the Government of the United Kingdom, the Government of Romania and certain other Governments were represented,

Have agreed as follows:

Article 1. DEFINITIONS

In this Agreement, unless the contrary intention appears:

(a) “Credit contract” shall mean a credit contract as defined in article 2 of this Agreement;

(b) “Creditor” shall mean a creditor as defined in article 2 of this Agreement;

(c) “Currency of the debt” shall mean sterling or such other currency as is specified in the credit contract;

(d) “Debt” shall mean any debt to which, by virtue of the provisions of articles 2 and 8 of this Agreement and of schedule 2 thereto, the provisions of this Agreement apply;

(e) “Debtor” shall mean a debtor as defined in article 2 of this Agreement;

(f) “Maturity” in relation to a debt shall mean the date for the repayment thereof under the relevant credit contract or under a promissory note or bill of exchange drawn up pursuant to the terms of such credit contract;

(g) “The bank” shall mean the Romanian Bank for Foreign Trade;

(h) “The Department” shall mean the Export Credits Guarantee Department of the Government of the United Kingdom or any other Department thereof which the Government of the United Kingdom may nominate for the purposes of this Agreement;

(i) “Transfer scheme” shall mean the transfer scheme referred to in article 3 of this Agreement.

Article 2. THE DEBT

(1) The provisions of this Agreement shall apply to any debt of principal owed as primary or principal debtor or as guarantor by the Government of Romania or by a person or body of persons or corporation resident or carrying on business in Romania or by any successor thereto (hereinafter referred to as “debtor”) to a person or body of persons or corporation resident or carrying on

¹ Came into force on 8 December 1983 by signature, in accordance with article 10.

business in the United Kingdom or to any successor thereto (hereinafter referred to as "creditor") provided that:

- (a) The debt arises under or in relation to a contract or any agreement supplemental thereto which was made between the debtor and the creditor for the supply from outside Romania of goods or services or both or of finance therefor, and which allowed credit to the debtor for a period exceeding one year, and which was entered into before 1 January 1982 (hereinafter referred to as a "credit contract");
- (b) Maturity of the debt has occurred, or will occur, between 1 January 1983 and 31 December 1983 both dates inclusive and that after maturity that debt remains unpaid in whole or in part; and
- (c) The debt is in respect of a credit contract guaranteed as to payment of that debt under a guarantee issued by the Department.

Article 3. PAYMENTS TO CREDITORS

Romania shall ensure that funds are transferred to the creditors in the United Kingdom in the currency of the debt in accordance with the transfer scheme set out in schedule 1 to this Agreement.

Article 4. INTEREST

(1) Romania shall be liable for and shall pay to the creditor interest in accordance with the provisions of this article on any debt as defined in article 1 to the extent that it has not been settled by payment to the creditor in the United Kingdom pursuant to article 3 of this Agreement.

(2) Interest shall accrue during, and shall be payable in respect of the period from maturity until the settlement of the debt by payment to the creditor, and shall be paid and transferred to the creditor concerned in the currency of the debt half-yearly on 28 February and 31 August each year commencing on 28 February 1984.

(3) The rate of interest applied to the debt shall be calculated at 0.75 per cent above the London Inter-Bank Offer Rate for each six monthly period. The method of calculation will be agreed in separate correspondence between the Bank and the Department. No additional commission or premium will be charged.

Article 5. EXCHANGE OF INFORMATION

The Department and the Bank shall exchange all information required for the implementation of this Agreement.

Article 6. OTHER DEBT SETTLEMENTS

(1) If Romania agrees with any other creditor other than the United Kingdom terms for the settlement of indebtedness similar to the indebtedness the subject of this Agreement which are more favourable than are the terms of this Agreement to creditors, then the terms of the payment of debts the subject of this Agreement shall, subject to the provisions of paragraphs (2) and (3) of this article, be no less favourable to creditors than the terms so agreed with that other creditor notwithstanding any provision of this Agreement to the contrary.

(2) The provisions of paragraph (1) of this article shall not apply in a case where the aggregate of the indebtedness to the other creditor is less than the equivalent of SDR 1 million.

(3) The provisions of paragraph (1) of this article shall not apply to matters relating to the payments of interest determined by article 4 hereof.

Article 7. PRESERVATION OF RIGHTS AND OBLIGATIONS

This Agreement and its implementation shall not affect the rights and obligations of creditors and debtors under their credit contracts.

Article 8. RULES

In the implementation of this Agreement the rules set out in schedule 2 to this Agreement shall apply.

Article 9. THE SCHEDULES

The schedules to this Agreement shall form an integral part thereof.

Article 10. ENTRY INTO FORCE AND DURATION

This Agreement shall enter into force on signature and shall remain in force until the last of the payments to be made to the creditors under articles 3 and 4 of this Agreement has been made.

IN WITNESS WHEREOF the undersigned, being duly authorised thereto, have signed this Agreement.

DONE in duplicate at London this 8th day of December 1983 in the English and Romanian languages, both texts being equally authoritative.

For the Government
of the United Kingdom of Great Britain
and Northern Ireland:

MALCOLM RIFKIND

For the Government
of the Socialist Republic
of Romania:

I. BITULEANU

SCHEDULE 1

TRANSFER SCHEME

In respect of each debt which fell due or will fall due between 1 January 1983 and 31 December 1983 both dates inclusive and which remains unpaid:

- (a) An amount equal to 30 per cent of each debt shall be transferred from Romania to the United Kingdom on the original date of maturity or where that date has passed not later than 30 November 1983;
- (b) An amount equal to 10 per cent of each debt shall be transferred from Romania to the United Kingdom on 30 November 1984; and
- (c) An amount equal to 60 per cent of each debt shall be transferred from Romania to the United Kingdom in seven equal and consecutive half-yearly instalments on 28 February and 31 August each year commencing on 28 February 1987.

SCHEDULE 2

RULES

(1) The Department and the Bank shall agree [on] a list of debts to which, by virtue of the provisions of article 2 of this Agreement, this Agreement applies.

(2) Such a list shall be completed as soon as possible. This list may be reviewed from time to time at the request of the Department or the Bank. The agreement of both the Department and the Bank shall be necessary before the list may be altered or amended or added to.

(3) Neither inability to complete the list referred to in paragraphs (1) and (2) of this schedule nor delay in its completion shall prevent or delay the implementation of the other provisions of this Agreement.

(4) (a) The Bank shall transfer the necessary amounts in the currency of the debt to a bank in the United Kingdom together with payment instructions in favour of the creditor to whom payment is due in accordance with this Agreement.

(b) When making such transfer the Bank shall give the Department particulars of the debts and of the interest to which the transfers relate.
